

MEMORANDUM FOR RECORD

SUBJECT: Upper Mississippi River Headwaters ROPE Project Delivery Team Meeting

1. On the morning of Monday 12 January 2004, the ROPE Project Delivery Team met in the Executive Conference Room of the St. Paul District. The meeting began at approximately 10:15am and ended about 11:40am and was attended by 16 participant (see enclosure 1 for sign-in roster of meeting participants and to identify stakeholders represented).
2. The meeting closely followed the meeting agenda and handouts that are attached as enclosure 2.
3. Much of this meeting focused upon updating ongoing efforts and addressing the implications of the funds shortage upon future FY04 ROPE work efforts. More specifically, the following noteworthy items were discussed:
 - Efforts are underway to strengthen the ROPE partnering agreements between the Forest Service and the Corps by entering into a joint MOA agreement that would allow crediting of labor by both parties.
 - Great progress has been made in setting up the HEC-PRM and STELLA models. However, in order for these tools to be functional for screening alternative plans the H&H foundation will need to be calibrated systemwide and the environmental, tribal, cultural, recreational, flood control, erosion control, and hydropower and other downstream uses will need to be integrated into both models.
 - FY04 funding levels earlier anticipated for ROPE have been decreased and mobilization costs have exceeded expectations significantly. This has resulted in the need to re-evaluate outputs that are possible this fiscal year. Delivery team inputs to redefine work and help prioritize work that can be accomplished this year will be pursued over the next few weeks (i.e., with the remaining \$200k of funds we will not be able to complete the screening of alternatives report that was earlier defined as our goal for this fiscal year). Once each functional office has input into the strategy for smartly prioritizing work for the remainder of this fiscal year, project management will update the QCP/PMP and distribute it for delivery team review and comment. This should be accomplished by the end of January.
 - The team is likely to be refocusing expectations to only accomplish the Public Involvement associated with the EIS scoping and the Feasibility

Scoping Meeting to brief higher Corps authority. These items of work will require that a narrative description of the existing and without project conditions be prepared by the delivery team. All of the above mentioned ROPE efforts should be accomplished so as to have the public/interagency meetings in May and the Feasibility Scoping Meeting in June. Then, the study will be in a holding pattern until additional funding is available (as additional end of fiscal year 04 funds or new FY05 funds). Unfortunately, this need to delay completion of the modeling until next year will result in overall study completion delays and this will result in some re-mobilization costs.

4. Due to the shortage of remaining funding this fiscal year, there is not likely to be another delivery team meeting for the remainder of the fiscal year. Delivery team coordination the remainder of this fiscal year will be accomplished via email and smaller group meetings.

Ed McNally
Project Manager

Encls. 2
Sign-in Sheet
Meeting Agenda

CF Distribution:
All meeting participants

Subject: Project Delivery Team Meeting - 12 January 2004 - Exec. Conf. Room
RE: Upper Mississippi River Headwaters ROPE Studies

Sign-In Roster

	<u>Name</u>	<u>Organization</u>	<u>Email and/or Telephone</u>
1.	Ed McNally	COE	651-290-5387
2.	Deb Griffith	COE	-5287
3.	Nancy Salminen	USFS	218 335-8666
4.	John Steward	DNR	218/547-1770
5.	Byron WILLIAMS	COF	5727
6.	Rick Carlson	COE	5259
7.	Dennis Holme	COE	5614
8.	Jodi Kormanik	COE	5646
9.	Jim Murphy	COE	5608
10.	Tom Selward	* Island/Cass Lake	651-292-8790
11.	Steve Clark	COE	651-290-5278
12.	Joel Face	COE	-5656
13.	Mal Sinn	DNR	651-296-4806
14.	Kenton Spading	Corps	651-290-5623
15.	David White	* Island/Kass Lake	(651) 452-9322 (work)
16.	John P. Albrecht	COE	651-290-5386
17.			
18.			
19.			
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25.			

Enclosure 2

Subject: Project Delivery Team Meeting – 12 January 2004 – Exec. Conf. Rm
RE: Upper Mississippi River Headwaters ROPE Studies

A G E N D A

Start at 10:15am

Introductions

Overview / Status of the Study Efforts and Changes for the New Year

- Partnership Status and Manager Changes
 - *Brenda has been promoted and Nancy is our new FS POC*
 - *Combined MOA now being pursued (need it to have FS labor count and this is critical soon)*
- Funding level reductions from initial QCP/PMP
 - *\$750 addon became \$600 – and proportionally less USFS matching funding*
- Spending levels greater than scheduled
 - *2/3 of funding now spent – over \$180k in Dec alone*
 - *See attachment for description of funding situation*
- Product Expectations need to also be adjusted (NOTE: meeting of O&M Team could affect us further + or -)
 - *Need to work together to redefine our QCP and PMP*
 - *Need to prioritize work and be smart about what continues in short term*
 - *All new work efforts need to be approved and hold up on initiating new work items*
 - *Need to repackage work efforts to find logical stopping points and for possible end of year \$*
 - *Delay of at least 6 months in schedule for completing the Alternatives Screening Report*

Status of Study Progress

- Modeling Status
 - STELLA overview
 - PRM overview
- Tetra Tech Aitkin Flood Diversion Analysis done
 - Meeting set for 29 Jan in Aitkin with Stakeholders
 - ROPE Spinoff Section 205 Study for Aitkin is Starting in Jan04

- Tribal Interest Contract Awards
- USGS ground water report coming
- Land Values Contract Coordination
- Citizen Groups Status
 - Review of the PRM initial outputs
 - Review of the new table description of lake level affects
- Task Forces Strategies, Mobilizations, & Status Summary
 - Erosion Control strategy
 - Recreation and Land Values model layers
 - Tribal/Cultural
 - Environmental
 - Flood Control
 - Hydropower and Downstream Uses

Refocus of Team Activity in FY04 = Discuss Dollars left for FY04, what can we accomplish with the funds?

- Key Upcoming Milestones are (how do we adjust with remaining \$?):
 - *Update / briefing of the Partnering Group (Feb 04)*
 - *Establish existing condition and “future without project conditions” – early March 04*
 - *Get the models functional by mid-March*
 - *Conduct ITR and Feasibility Scoping Meetings in April 04*
 - *Complete a Screening of Alternatives Report by mid-Sept 04*
 - *Conduct Public and Inter-agency Meetings on Alternatives Report*
- Keep some tasks going.....stop others.....what makes sense?
- Who is hurt that most by starting and stopping?
- Contracts: what contracts are out there? Should some be de-obligated?

Open Session (Coordination Issues and/or Q&A)

Identification of Breakout Sessions Needed

Close Meetings 11:30 am – Conduct Breakout Sessions, As Needed...

ATTACHMENT

Summary of ROPE Funding Situation and Related Implications

Based on recent inputs from the PDT, approximately \$700k will be needed to complete the Screening of Alternatives Report which would include the ROPE optimization and simulation modeling and associated coordination (Note: This represents a cost creep of about \$310k from our previous PDT cost estimate).

Based on recent CEFMS reports, it appears that only \$220k of unobligated FY04 funds remain available in the ROPE accounts (This includes all the Corps and Forest Service FY04 sources). This means we have a \$480k shortfall in the \$700k now needed to complete the Screening of Alternatives Report by the end of the FY.

The FY04 funding via Congressional Addon, assumed at the beginning of the year, was \$750k (plus the matching \$110k of Forest Service funds = Total funds of \$860k). However, the amount made available of \$600k (plus the matching \$90k of Service funds = \$690k) results in a \$170k (\$860-\$690) shortage of FY04 funds. This shortage will adversely affect our ability to maintain the current schedule for completing the Screening of Alternatives Report by the end of the FY.

SUMMARY AND AFFECTS:

- The cost creep of \$310k significantly impacts our ability to complete the Screening of Alternatives Report this FY. As a result of the cost creep and the reduced funding level in FY04 we will be re-evaluating the overall ROPE completion schedule.
- The \$170k shortfall from what was expected this FY impacts our ability to complete the Screening of Alternatives Report on schedule.
- I estimate at this point that, with adequate funding in FY05, we are looking at a delay in completion of the Screening of Alternatives Report to March 2005 (about 6 to 7 months). If end of FY funding becomes available later this fall, the overall schedule delay could be shortened somewhat.
- The extended timeline for completion of the report will not be as effective as if we were funded to the Congressional Add funding level and will significantly impact ongoing and upcoming coordination and public involvement activities associated with ROPE.
- There are additional project costs associated with remobilizing PDT activities needed to complete this study (especially computer modeling and Public Involvement actions).

If you have questions regarding this assessment, please feel free to contact me.

Thanks.

Ed McNally
Project Manager